

Business Center Building P.O. Box 1518 Bellevue, Washington 98009 Telephone (206) 455-7400

March 1, 1986

Mr. Larry Lowe, President Atlas Building Wreckers, Inc. 6200 NW St. Helens Drive Portland, OR 97210

Re: Atlas - PACCAR - Desimone

Dear Larry:

As of February 28, Atlas' Sublease from PACCAR expired, and at the date of this letter we have not agreed upon terms of continuing Atlas' occupancy of the Subleased Premises or the adjacent area upon which Atlas has encroached (the "Encroachment Area").

Until agreement on such terms of continued occupancy is reached, we hereby advise Atlas Building Wreckers Inc. and Atlas Building Wreckers that any continued access to the Subleased Premises is permitted solely on a day-to-day basis as a tenancy at the sufferance of PACCAR, but not beyond March 30, 1986. Atlas' occupancy of the Subleased Premises in such status is upon all terms and conditions of the Sublease except for rent. Occupancy of the Encroachment Area shall still be considered to be a trespass thereon. Effective March 1, rent payable under the Sublease for Atlas' continued access to Subleased Premises and payment for its occupancy of the Encroachment Area shall be at the rate of twice the agreed rate in the Sublease, or \$66.00 per day, payable weekly in advance.

On March 30, 1986 any right whatsoever of Atlas to enter upon the Subleased Premises or the Encroachment Area shall terminate unless prior to that date PACCAR and Atlas have reached agreement on the terms of continued occupancy by Atlas of these properties.

Our agreement as to the foregoing shall not constitute any waiver or relinquishment by PACCAR of any rights respecting the Sublease or the Encroachment Area, including without limitation Atlas' obligations to return the Subleased Premises to PACCAR at the expiration of the Sublease in the original condition thereof as required by the Sublease, Atlas' obligations to restore the Encroachment Area to the condition thereof prior to entry thereon by Atlas, Atlas' obligation to provide insurance for the benefit of PACCAR, and any damages resulting to PACCAR from any activities of Atlas on these properties to and including the date of this letter and hereafter.

Mr. Larry Lowe, President March 1, 1986 Page Two

If the foregoing correctly sets forth our understanding, please indicate your concurrence in the space provded below on the enclosed copy of this letter and return that copy to the undersigned as soon as possible. If we do not have Atlas' written agreement to the foregoing by March 5, then Atlas is granted no authorization whatsoever to enter the Subleased Premises or Encroachment Area after February 28, 1986.

Very truly yours,

PACCAR Inc

Phillip E. Gladfelter Corporate Real Property Manager

Accepted and agreed:

ATLAS BUILDING WRECKERS INC.

Ву President

Mr. Robert Reynolds cc: David Sweeney, Esq. Mr. Leo Padilla

M. Candaux

T. P. Lukens, Esq.

R. A. Hoel

G. G. Morie

cc: Mr. Joseph R. Desimone Mr. Richard L. Desimone Mrs. Katherine Desimone 3/4/86